

CRAVATH, SWAINE & MOORE 11578

ONE CHASE MANHATTAN PLAZA

NEW YORK, N. Y. 10005

11578 212 HANOVER 2-3000

INTERSTATE COMMERCE COMMISSION

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STEWART R. BROSS, JR.
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SAMUEL C. BUTLER
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BENJAMIN F. CRANE
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GEORGE J. GILLESPIE, III
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ROBERT F. MULLEN
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MARTIN L. SENZEL
DOUGLAS D. BROWNE
ALAN C. STEPHENSON
RICHARD L. HOFFMAN
JOSEPH A. MULLINS
MAX R. SHULMAN

RECORDATION NO. 11578
Filed 1425
TELEX
RCA 233663
WUD 125547
WUI 620976

INTERSTATE COMMERCE COMMISSION

No. 0-072A069

Date MAR 12 1980

Fee \$ 100.00

ICC Washington, D. C.

RECORDATION NO. 11578
Filed 1425
MAR 12 1980 - 3 22 PM

INTERSTATE COMMERCE COMMISSION

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RECORDATION NO. 11578
Filed 1425
MAR 12 1980 - 3 22 PM

INTERSTATE COMMERCE COMMISSION

Louisville and Nashville Railroad Company
Lease Financing Dated as of February 15, 1980
Conditional Sale Indebtedness Due June 2, 1992

March 12, 1980

Dear Ms. Mergenovich:

Pursuant to 49 U.S.C. § 11303 and the Commission's rules and regulations thereunder, as amended, I enclose herewith on behalf of Louisville and Nashville Railroad Company for filing and recordation counterparts of the following documents:

(1) (a) Conditional Sale Agreement dated as of February 15, 1980, between Cargill Leasing Corporation and Whitehead & Kales Company; and

A (b) Agreement and Assignment dated as of February 15, 1980, between Mercantile-Safe Deposit and Trust Company and Whitehead & Kales Company.

B (2) (a) Lease of Equipment dated as of February 15, 1980, between Louisville and Nashville Railroad Company and Cargill Leasing Corporation; and

C (b) Assignment of Lease and Agreement dated as of

Clyde M. Wheeler
Robert Rosenman

February 15, 1980, between Cargill Leasing Corporation and Mercantile-Safe Deposit and Trust Company, as Agent.

The names and addresses of the parties to the aforementioned Agreements are as follows:

(1) Vendor-Assignee-Agent:

Mercantile-Safe Deposit and Trust
Company,
P. O. Box 2558,
Baltimore, Maryland 21203.

(2) Vendee-Lessor:

Cargill Leasing Corporation,
2301 Crosby Road,
Wayzata, Minnesota 55391.

(3) Builder-Vendor:

Whitehead & Kales Company,
58 Haltiner,
River Rouge, Michigan 48218.

(4) Lessee:

Louisville and Nashville Railroad
Company,
908 West Broadway,
Louisville, Kentucky 40201.

Please file and record the documents referred to in this letter and cross-index them under the names of the Vendor-Assignee-Agent, the Vendee-Lessor, the Builder-Vendor and the Lessee.

The equipment covered by the aforementioned documents consists of the following:

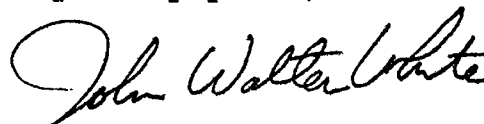
144 fully enclosed, tri-level auto racks bearing identifying numbers LN 2023--LN 2166, both inclusive.

There is also enclosed a check for \$100 payable to the Interstate Commerce Commission, representing the fee for recording the Conditional Sale Agreement and related Agreement

and Assignment (together constituting one document) and the Lease of Railroad Equipment and related Assignment of Lease and Agreement (together constituting one document).

Please stamp all counterparts of the enclosed documents with your official recording stamp. You will wish to retain one copy of the instruments for your files. It is requested that the remaining counterparts be delivered to the bearer of this letter.

Very truly yours,

A handwritten signature in cursive script, reading "John W. White".

John W. White
As Agent for
Louisville and Nashville
Railroad Company

Agatha L. Mergenovich, Secretary,
Interstate Commerce Commission,
Washington, D. C. 20423

Encls.

Interstate Commerce Commission
Washington, D.C. 20423

3/12/80

OFFICE OF THE SECRETARY

John W. White
Cravath, Swaine & Moore
One Chase Manhattan Plaza
New York, N.Y. 10005

Dear **Sir:**

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **3/12/80** at **3:20pm** and assigned re-recording number(s). **11578, 11578-A, 11578-B, 11578-C**

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

11578-C

RECORDATION NO. Filed 1425

MAR 12 1980 - 3 22 PM

~~INTERNAL SECURITY - COMMERCE COMMISSION~~

[CS&M Ref.: 2043-978]

ASSIGNMENT OF LEASE AND AGREEMENT

Dated as of February 15, 1980

Between

CARGILL LEASING COMPANY,

Lessor

and

MERCANTILE SAFE-DEPOSIT AND TRUST COMPANY,
not in its individual capacity
but solely as Agent.

ASSIGNMENT OF LEASE AND AGREEMENT dated as of February 15, 1980, by and between CARGILL LEASING CORPORATION (the "Lessor" or the "Vendee") and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, acting not in its individual capacity but solely as agent (the "Vendor"), under a Participation Agreement dated as of the date hereof (the "Participation Agreement") with the Lessor, the Lessee (as hereinafter defined) and the party named in Schedule A thereto (hereinafter, together with its successors and assigns, called the "Investors").

WHEREAS the Vendee is entering into a Conditional Sale Agreement dated as of the date hereof (the "CSA") with Whitehead & Kales Company (the "Builder") providing for the sale to the Vendee of such units of railroad equipment (the "Units") described in Annex B thereto as are delivered to and accepted by the Vendee thereunder;

WHEREAS the Lessor and Louisville and Nashville Railroad Company (the "Lessee") have entered into a Lease of Railroad Equipment dated as of the date hereof (the "Lease"), providing for the leasing by the Lessor to the Lessee of the Units; and

WHEREAS, in order to provide security for the obligations of the Lessor under the CSA and as an inducement to the Vendor to invest in the CSA Indebtedness (as defined in the CSA), the Lessor agrees to assign for security purposes its rights in, to and under the Lease to the Vendor;

NOW, THEREFORE, in consideration of the premises and of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. The Lessor hereby assigns, transfers and sets over unto the Vendor, as collateral security for the payment and performance of the obligations of the Lessor as Vendee under the CSA, all the Lessor's right, title and interest, powers, privileges, and other benefits under the Lease, including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Lessor from the Lessee under

or pursuant to the provisions of the Lease whether as rent, casualty payment, indemnity, liquidated damages, or otherwise (such moneys being hereinafter called the "Payments"), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to do any and all other things whatsoever which the Lessor is or may become entitled to do under the Lease. In furtherance of the foregoing assignment, the Lessor hereby irrevocably authorizes and empowers the Vendor in its own name, or in the name of its nominee, or in the name of the Lessor or as its attorney, to ask, demand, sue for, collect and receive any and all sums to which the Lessor is or may become entitled under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof. Notwithstanding the foregoing, the Payments shall not be deemed to include (y) payments by the Lessee to the Lessor pursuant to §§ 6 and 9 of the Lease (except to the extent that the Lessor is obligated to reimburse the Vendor pursuant to Articles 6 and 13 of the CSA) and (z) such amounts of indemnity payable or receivable by the Lessor pursuant to § 19 of the Lease (such amounts and payments referred to in (y) and (z) being hereinafter collectively called the "Excluded Payments").

The Vendor agrees to accept any Payments made by the Lessee for the account of the Lessor pursuant to the Lease, subject to the provisions of the Lessee's Consent and Agreement attached hereto (the "Consent") permitting certain payments to be made directly to the Vendee. To the extent received, the Vendor will promptly apply such Payments to satisfy the obligations of the Lessor under the CSA then due and payable (or payable on the date following the date paid under the Lease), and, so long as no event of default or event which with the lapse of time and/or demand provided for in the CSA could constitute an event of default thereunder, shall have occurred and be continuing, any balance shall be paid to the Lessor on the same date such Payment is applied to satisfy such obligations of the Lessor (or to such other party as may be specified by the Lessor), by bank wire to the Lessor at such address as may be specified to the Vendor in writing, and such balance shall be retained by the Lessor. If the Vendor shall not receive any rental payment under the first paragraph of § 3 of the Lease payable to it as provided in the Consent when due, the Vendor shall notify the Lessor at the address set forth in the Lease; provided, however, that the failure of the Vendor to so notify the Lessor shall not affect the obligations of the Lessor hereunder or under the CSA. The Lessor will furnish to the

Vendor and the Lessee a schedule, with such changes as may be appropriate from time to time, setting forth the amounts due the Vendor under the CSA and the Lessor under the Lease on each date for the payment thereof.

2. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Vendor to, or transfer, or pass, or in any way affect or modify the liability of the Lessor under the Lease, it being understood and agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of the Lessor to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Lessor or persons other than the Vendor.

3. The Lessor will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Lease provides are to be performed by the Lessor; without the written consent of the Vendor, the Lessor will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by the Lessee, including, without limitation, the obligation to pay the rents in the manner and at the time and place specified therein or enter into any agreement amending, modifying or terminating the Lease and the Lessor agrees that any amendment, modification or termination thereof without such consent shall be void.

4. The Lessor does hereby constitute the Vendor the Lessor's true and lawful attorney, irrevocably, with full power (in the name of the Lessor, or otherwise), to ask, require, demand, receive, compound and give acquittance for any and all Payments due and to become due under or arising out of the Lease to which the Lessor is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which the Vendor may deem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all the Lessor's obligations under the CSA, this Assignment and all rights herein assigned to the Vendor shall terminate, and all estate, right, title and interest of the Vendor in

and to the Lease shall revert to the Lessor. However, the Vendor, if so requested by the Lessor at that time and at the sole expense of the Lessor, will (a) execute an instrument releasing its entire estate, right, title and interest in the Lease and transferring such estate, right, title and interest to the Lessor and (b) execute, acknowledge and deliver any and all further instruments required by law or reasonably requested by the Lessor in order to confirm or further assure the interest in the Lease which shall have reverted or been so transferred to the Lessor.

6. The Lessor will, from time to time, execute, acknowledge and deliver any and all further instruments required by law or reasonably requested by the Vendor in order to confirm or further assure the interest of the Vendor hereunder.

7. Subject to the provisions of Article 14 of the CSA, the Vendor may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due, but the Lessee and the Vendee shall be under no obligation to any subsequent or successive assignee except upon written notice of such assignment from the Vendor. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Vendor hereunder.

8. This Assignment shall be governed by the laws of the State of Minnesota.

9. The Lessor shall cause copies of all notices received in connection with the Lease and all payments hereunder to be promptly delivered or made to the Vendor at its address set forth in Article 20 of the CSA or at such other address as the Vendor shall designate.

10. The Vendor hereby agrees with the Lessor that the Vendor will not, unless an event of default under the CSA (as defined therein) or event which with notice or lapse of time or both would constitute such an event of default has occurred and is continuing, exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits which are assigned and transferred by the Lessor to the Vendor by this Assignment, except the right to apply the Payments as provided in Paragraph 1 hereof.

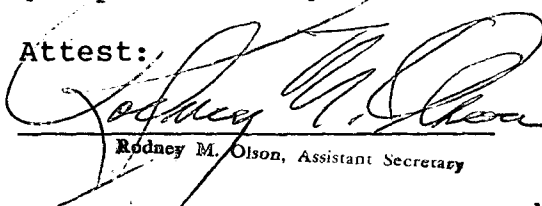
11. Notwithstanding any other provision of this Assignment (including, but not limited to, any provision of the first paragraph of Paragraph 1 and Paragraph 3 hereof), the terms of this Assignment shall not limit or in any way affect the Lessor's right to receive and collect any Payments under the Lease in excess of the obligations of the Lessor under the CSA, so long as no event of default under the CSA or event which with notice or lapse of time or both would constitute such an event of default has occurred and is continuing; provided, however, that the Lessor agrees that, without the prior written consent of the Vendor (which shall not be given without the approval of the Investors as provided in Paragraph 10 of the Participation Agreement), the Lessor may not take any action to terminate the Lease pursuant to subparagraph (b) of § 10 thereof or otherwise, the right to do so being reserved by the Vendor.

12. This Assignment may be executed in any number of counterparts, such counterparts together constituting but one and the same contract. It shall not be necessary that any counterpart be signed by both parties hereto so long as each party shall sign at least one counterpart and such counterpart is delivered to the Vendor or its counsel, whereupon this Assignment shall become effective. Although for convenience this Assignment is dated as of the date first above written, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed, as of the date first above written.

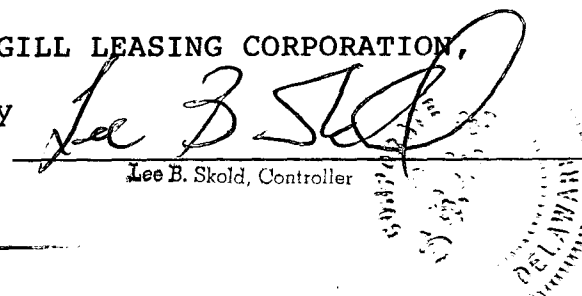
[Corporate Seal]

Attest:


Rodney M. Olson, Assistant Secretary

CARGILL LEASING CORPORATION,

by


Lee B. Skold, Controller

MERCANTILE-SAFE DEPOSIT AND TRUST
COMPANY, not in its individual
capacity but solely as agent under
the Participation Agreement,

[Corporate Seal]

by

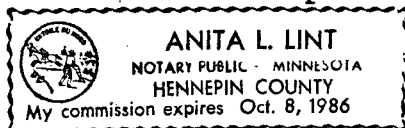
Attest:

Assistant Vice President

Corporate Trust Officer

STATE OF MINNESOTA,)
) ss.:
COUNTY OF HENNEPIN,)

On this 11th day of March 1980, before me personally appeared Lee B. Skold, to me personally known, who, being by me duly sworn, says that he is an Controller of CARGILL LEASING CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.



Paul L. Lint
Notary Public

[Notarial Seal]

STATE OF MARYLAND,)
) ss.:
CITY OF BALTIMORE,)

On this day of March 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is an Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

CONSENT AND AGREEMENT

The undersigned, LOUISVILLE AND NASHVILLE RAILROAD COMPANY, a corporation duly incorporated under the laws of the Commonwealth of Kentucky, the Lessee (the "Lessee") named in the Lease (the "Lease") referred to in the foregoing Assignment of Lease and Agreement (the "Lease Assignment"), hereby (a) acknowledges receipt of a copy of the Lease Assignment and (b) consents to all the terms and conditions of the Lease Assignment and agrees that:

(1) it will pay all rentals, casualty payments, liquidated damages and other moneys (other than Excluded Payments as defined in the Lease Assignment) provided for in the Lease (which moneys are herein-after called the "Payments") due and to become due under the Lease or otherwise in respect of the Units leased thereunder, directly to Mercantile-Safe Deposit and Trust Company, not in its individual capacity but solely as Agent (the "Vendor"), the assignee named in the Lease Assignment, to be applied as provided in the CSA (as defined in the Lease Assignment), in Baltimore Clearing House funds by 11 a.m. Baltimore, Maryland, time on the date of payment, either by wire transfer to The Annapolis Banking and Trust Company, Main Street and Church Circle, Annapolis, Maryland, for credit to the Agent's Account No. 52076-1, with a request that The Annapolis Banking and Trust Company advise Mrs. K. M. Tollberg, Assistant Vice President, Mercantile-Safe Deposit and Trust Company, Baltimore, Maryland, that the deposit or payment is "RE: LN 2/15/80" or by check delivered to the Vendor at Two Hopkins Plaza, P.O. Box 2258, Baltimore, Maryland 21203 (or at such other address as may be furnished in writing to the undersigned by the Vendor);

(2) the Vendor shall be entitled to the benefits of, and to receive and enforce performance of, all the covenants to be performed by the undersigned under the Lease as though the Vendor were named therein as the Lessor;

(3) the Vendor shall not, by virtue of the Lease Assignment or this Consent and Agreement, be or become subject to any liability or obligation under the Lease or otherwise; and

(4) the Lease shall not, without the prior written consent of the Vendor, be terminated or modified, nor shall any action be taken or omitted by the undersigned, the taking or omission of which might result in an alteration or impairment of the Lease or this Consent and Agreement or of any of the rights created by either thereof.

This Consent and Agreement when accepted by the Vendor by signing the acceptance at the foot hereof, shall be deemed to be a contract under the laws of the Commonwealth of Kentucky and, for all purposes, shall be construed in accordance with the laws of said Commonwealth.

Dated as of February 15, 1980

LOUISVILLE AND NASHVILLE RAILROAD
COMPANY,

by _____

[Corporate Seal]

Attest:

The foregoing Consent and Agreement is hereby
accepted, as of the 15th day of February 1980.

MERCANTILE-SAFE DEPOSIT AND TRUST
COMPANY, not in its individual
capacity but solely as Agent,

by

Assistant Vice President

ASSIGNMENT OF LEASE AND AGREEMENT

Dated as of February 15, 1980

Between

CARGILL LEASING COMPANY,

Lessor

and

MERCANTILE SAFE-DEPOSIT AND TRUST COMPANY,
not in its individual capacity
but solely as Agent.

ASSIGNMENT OF LEASE AND AGREEMENT dated as of February 15, 1980, by and between CARGILL LEASING CORPORATION (the "Lessor" or the "Vendee") and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, acting not in its individual capacity but solely as agent (the "Vendor"), under a Participation Agreement dated as of the date hereof (the "Participation Agreement") with the Lessor, the Lessee (as hereinafter defined) and the party named in Schedule A thereto (hereinafter, together with its successors and assigns, called the "Investors").

WHEREAS the Vendee is entering into a Conditional Sale Agreement dated as of the date hereof (the "CSA") with Whitehead & Kales Company (the "Builder") providing for the sale to the Vendee of such units of railroad equipment (the "Units") described in Annex B thereto as are delivered to and accepted by the Vendee thereunder;

WHEREAS the Lessor and Louisville and Nashville Railroad Company (the "Lessee") have entered into a Lease of Railroad Equipment dated as of the date hereof (the "Lease"), providing for the leasing by the Lessor to the Lessee of the Units; and

WHEREAS, in order to provide security for the obligations of the Lessor under the CSA and as an inducement to the Vendor to invest in the CSA Indebtedness (as defined in the CSA), the Lessor agrees to assign for security purposes its rights in, to and under the Lease to the Vendor;

NOW, THEREFORE, in consideration of the premises and of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. The Lessor hereby assigns, transfers and sets over unto the Vendor, as collateral security for the payment and performance of the obligations of the Lessor as Vendee under the CSA, all the Lessor's right, title and interest, powers, privileges, and other benefits under the Lease, including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Lessor from the Lessee under

or pursuant to the provisions of the Lease whether as rent, casualty payment, indemnity, liquidated damages, or otherwise (such moneys being hereinafter called the "Payments"), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to do any and all other things whatsoever which the Lessor is or may become entitled to do under the Lease. In furtherance of the foregoing assignment, the Lessor hereby irrevocably authorizes and empowers the Vendor in its own name, or in the name of its nominee, or in the name of the Lessor or as its attorney, to ask, demand, sue for, collect and receive any and all sums to which the Lessor is or may become entitled under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof. Notwithstanding the foregoing, the Payments shall not be deemed to include (y) payments by the Lessee to the Lessor pursuant to §§ 6 and 9 of the Lease (except to the extent that the Lessor is obligated to reimburse the Vendor pursuant to Articles 6 and 13 of the CSA) and (z) such amounts of indemnity payable or receivable by the Lessor pursuant to § 19 of the Lease (such amounts and payments referred to in (y) and (z) being hereinafter collectively called the "Excluded Payments").

The Vendor agrees to accept any Payments made by the Lessee for the account of the Lessor pursuant to the Lease, subject to the provisions of the Lessee's Consent and Agreement attached hereto (the "Consent") permitting certain payments to be made directly to the Vendee. To the extent received, the Vendor will promptly apply such Payments to satisfy the obligations of the Lessor under the CSA then due and payable (or payable on the date following the date paid under the Lease), and, so long as no event of default or event which with the lapse of time and/or demand provided for in the CSA could constitute an event of default thereunder, shall have occurred and be continuing, any balance shall be paid to the Lessor on the same date such Payment is applied to satisfy such obligations of the Lessor (or to such other party as may be specified by the Lessor), by bank wire to the Lessor at such address as may be specified to the Vendor in writing, and such balance shall be retained by the Lessor. If the Vendor shall not receive any rental payment under the first paragraph of § 3 of the Lease payable to it as provided in the Consent when due, the Vendor shall notify the Lessor at the address set forth in the Lease; provided, however, that the failure of the Vendor to so notify the Lessor shall not affect the obligations of the Lessor hereunder or under the CSA. The Lessor will furnish to the

Vendor and the Lessee a schedule, with such changes as may be appropriate from time to time, setting forth the amounts due the Vendor under the CSA and the Lessor under the Lease on each date for the payment thereof.

2. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Vendor to, or transfer, or pass, or in any way affect or modify the liability of the Lessor under the Lease, it being understood and agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of the Lessor to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Lessor or persons other than the Vendor.

3. The Lessor will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Lease provides are to be performed by the Lessor; without the written consent of the Vendor, the Lessor will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by the Lessee, including, without limitation, the obligation to pay the rents in the manner and at the time and place specified therein or enter into any agreement amending, modifying or terminating the Lease and the Lessor agrees that any amendment, modification or termination thereof without such consent shall be void.

4. The Lessor does hereby constitute the Vendor the Lessor's true and lawful attorney, irrevocably, with full power (in the name of the Lessor, or otherwise), to ask, require, demand, receive, compound and give acquittance for any and all Payments due and to become due under or arising out of the Lease to which the Lessor is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which the Vendor may deem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all the Lessor's obligations under the CSA, this Assignment and all rights herein assigned to the Vendor shall terminate, and all estate, right, title and interest of the Vendor in

and to the Lease shall revert to the Lessor. However, the Vendor, if so requested by the Lessor at that time and at the sole expense of the Lessor, will (a) execute an instrument releasing its entire estate, right, title and interest in the Lease and transferring such estate, right, title and interest to the Lessor and (b) execute, acknowledge and deliver any and all further instruments required by law or reasonably requested by the Lessor in order to confirm or further assure the interest in the Lease which shall have reverted or been so transferred to the Lessor.

6. The Lessor will, from time to time, execute, acknowledge and deliver any and all further instruments required by law or reasonably requested by the Vendor in order to confirm or further assure the interest of the Vendor hereunder.

7. Subject to the provisions of Article 14 of the CSA, the Vendor may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due, but the Lessee and the Vendee shall be under no obligation to any subsequent or successive assignee except upon written notice of such assignment from the Vendor. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Vendor hereunder.

8. This Assignment shall be governed by the laws of the State of Minnesota.

9. The Lessor shall cause copies of all notices received in connection with the Lease and all payments hereunder to be promptly delivered or made to the Vendor at its address set forth in Article 20 of the CSA or at such other address as the Vendor shall designate.

10. The Vendor hereby agrees with the Lessor that the Vendor will not, unless an event of default under the CSA (as defined therein) or event which with notice or lapse of time or both would constitute such an event of default has occurred and is continuing, exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits which are assigned and transferred by the Lessor to the Vendor by this Assignment, except the right to apply the Payments as provided in Paragraph 1 hereof.

11. Notwithstanding any other provision of this Assignment (including, but not limited to, any provision of the first paragraph of Paragraph 1 and Paragraph 3 hereof), the terms of this Assignment shall not limit or in any way affect the Lessor's right to receive and collect any Payments under the Lease in excess of the obligations of the Lessor under the CSA, so long as no event of default under the CSA or event which with notice or lapse of time or both would constitute such an event of default has occurred and is continuing; provided, however, that the Lessor agrees that, without the prior written consent of the Vendor (which shall not be given without the approval of the Investors as provided in Paragraph 10 of the Participation Agreement), the Lessor may not take any action to terminate the Lease pursuant to subparagraph (b) of § 10 thereof or otherwise, the right to do so being reserved by the Vendor.

12. This Assignment may be executed in any number of counterparts, such counterparts together constituting but one and the same contract. It shall not be necessary that any counterpart be signed by both parties hereto so long as each party shall sign at least one counterpart and such counterpart is delivered to the Vendor or its counsel, whereupon this Assignment shall become effective. Although for convenience this Assignment is dated as of the date first above written, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed, as of the date first above written.

CARGILL LEASING CORPORATION,

[Corporate Seal]

by _____

Attest:

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, not in its individual capacity but solely as agent under the Participation Agreement,

[Corporate Seal]

by *[Signature]*

Attest:

Assistant Vice President

F H Gilbert
Corporate Trust Officer

STATE OF MINNESOTA,)
) ss.:
COUNTY OF HENNEPIN,)

On this day of March 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is an of CARGILL LEASING CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

STATE OF MARYLAND,)
) ss.:
CITY OF BALTIMORE,)

On this 11th day of March 1980, before me personally appeared R. E. Schreiber, to me personally known, who, being by me duly sworn, says that he is an Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My commission expires July 1, 1982

CONSENT AND AGREEMENT

The undersigned, LOUISVILLE AND NASHVILLE RAILROAD COMPANY, a corporation duly incorporated under the laws of the Commonwealth of Kentucky, the Lessee (the "Lessee") named in the Lease (the "Lease") referred to in the foregoing Assignment of Lease and Agreement (the "Lease Assignment"), hereby (a) acknowledges receipt of a copy of the Lease Assignment and (b) consents to all the terms and conditions of the Lease Assignment and agrees that:

(1) it will pay all rentals, casualty payments, liquidated damages and other moneys (other than Excluded Payments as defined in the Lease Assignment) provided for in the Lease (which moneys are herein-after called the "Payments") due and to become due under the Lease or otherwise in respect of the Units leased thereunder, directly to Mercantile-Safe Deposit and Trust Company, not in its individual capacity but solely as Agent (the "Vendor"), the assignee named in the Lease Assignment, to be applied as provided in the CSA (as defined in the Lease Assignment), in Baltimore Clearing House funds by 11 a.m. Baltimore, Maryland, time on the date of payment, either by wire transfer to The Annapolis Banking and Trust Company, Main Street and Church Circle, Annapolis, Maryland, for credit to the Agent's Account No. 52076-1, with a request that The Annapolis Banking and Trust Company advise Mrs. K. M. Tollberg, Assistant Vice President, Mercantile-Safe Deposit and Trust Company, Baltimore, Maryland, that the deposit or payment is "RE: LN 2/15/80" or by check delivered to the Vendor at Two Hopkins Plaza, P.O. Box 2258, Baltimore, Maryland 21203 (or at such other address as may be furnished in writing to the undersigned by the Vendor);

(2) the Vendor shall be entitled to the benefits of, and to receive and enforce performance of, all the covenants to be performed by the undersigned under the Lease as though the Vendor were named therein as the Lessor;

(3) the Vendor shall not, by virtue of the Lease Assignment or this Consent and Agreement, be or become subject to any liability or obligation under the Lease or otherwise; and

The foregoing Consent and Agreement is hereby
accepted, as of the 15th day of February 1980.

MERCANTILE-SAFE DEPOSIT AND TRUST
COMPANY, not in its individual
capacity but solely as Agent,

by


Assistant Vice President

ASSIGNMENT OF LEASE AND AGREEMENT

Dated as of February 15, 1980

Between

CARGILL LEASING COMPANY,

Lessor

and

MERCANTILE SAFE-DEPOSIT AND TRUST COMPANY,
not in its individual capacity
but solely as Agent.

ASSIGNMENT OF LEASE AND AGREEMENT dated as of February 15, 1980, by and between CARGILL LEASING CORPORATION (the "Lessor" or the "Vendee") and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, acting not in its individual capacity but solely as agent (the "Vendor"), under a Participation Agreement dated as of the date hereof (the "Participation Agreement") with the Lessor, the Lessee (as hereinafter defined) and the party named in Schedule A thereto (hereinafter, together with its successors and assigns, called the "Investors").

WHEREAS the Vendee is entering into a Conditional Sale Agreement dated as of the date hereof (the "CSA") with Whitehead & Kales Company (the "Builder") providing for the sale to the Vendee of such units of railroad equipment (the "Units") described in Annex B thereto as are delivered to and accepted by the Vendee thereunder;

WHEREAS the Lessor and Louisville and Nashville Railroad Company (the "Lessee") have entered into a Lease of Railroad Equipment dated as of the date hereof (the "Lease"), providing for the leasing by the Lessor to the Lessee of the Units; and

WHEREAS, in order to provide security for the obligations of the Lessor under the CSA and as an inducement to the Vendor to invest in the CSA Indebtedness (as defined in the CSA), the Lessor agrees to assign for security purposes its rights in, to and under the Lease to the Vendor;

NOW, THEREFORE, in consideration of the premises and of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. The Lessor hereby assigns, transfers and sets over unto the Vendor, as collateral security for the payment and performance of the obligations of the Lessor as Vendee under the CSA, all the Lessor's right, title and interest, powers, privileges, and other benefits under the Lease, including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Lessor from the Lessee under

or pursuant to the provisions of the Lease whether as rent, casualty payment, indemnity, liquidated damages, or otherwise (such moneys being hereinafter called the "Payments"), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to do any and all other things whatsoever which the Lessor is or may become entitled to do under the Lease. In furtherance of the foregoing assignment, the Lessor hereby irrevocably authorizes and empowers the Vendor in its own name, or in the name of its nominee, or in the name of the Lessor or as its attorney, to ask, demand, sue for, collect and receive any and all sums to which the Lessor is or may become entitled under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof. Notwithstanding the foregoing, the Payments shall not be deemed to include (y) payments by the Lessee to the Lessor pursuant to §§ 6 and 9 of the Lease (except to the extent that the Lessor is obligated to reimburse the Vendor pursuant to Articles 6 and 13 of the CSA) and (z) such amounts of indemnity payable or receivable by the Lessor pursuant to § 19 of the Lease (such amounts and payments referred to in (y) and (z) being hereinafter collectively called the "Excluded Payments").

The Vendor agrees to accept any Payments made by the Lessee for the account of the Lessor pursuant to the Lease, subject to the provisions of the Lessee's Consent and Agreement attached hereto (the "Consent") permitting certain payments to be made directly to the Vendee. To the extent received, the Vendor will promptly apply such Payments to satisfy the obligations of the Lessor under the CSA then due and payable (or payable on the date following the date paid under the Lease), and, so long as no event of default or event which with the lapse of time and/or demand provided for in the CSA could constitute an event of default thereunder, shall have occurred and be continuing, any balance shall be paid to the Lessor on the same date such Payment is applied to satisfy such obligations of the Lessor (or to such other party as may be specified by the Lessor), by bank wire to the Lessor at such address as may be specified to the Vendor in writing, and such balance shall be retained by the Lessor. If the Vendor shall not receive any rental payment under the first paragraph of § 3 of the Lease payable to it as provided in the Consent when due, the Vendor shall notify the Lessor at the address set forth in the Lease; provided, however, that the failure of the Vendor to so notify the Lessor shall not affect the obligations of the Lessor hereunder or under the CSA. The Lessor will furnish to the

Vendor and the Lessee a schedule, with such changes as may be appropriate from time to time, setting forth the amounts due the Vendor under the CSA and the Lessor under the Lease on each date for the payment thereof.

2. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Vendor to, or transfer, or pass, or in any way affect or modify the liability of the Lessor under the Lease, it being understood and agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of the Lessor to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Lessor or persons other than the Vendor.

3. The Lessor will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Lease provides are to be performed by the Lessor; without the written consent of the Vendor, the Lessor will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by the Lessee, including, without limitation, the obligation to pay the rents in the manner and at the time and place specified therein or enter into any agreement amending, modifying or terminating the Lease and the Lessor agrees that any amendment, modification or termination thereof without such consent shall be void.

4. The Lessor does hereby constitute the Vendor the Lessor's true and lawful attorney, irrevocably, with full power (in the name of the Lessor, or otherwise), to ask, require, demand, receive, compound and give acquittance for any and all Payments due and to become due under or arising out of the Lease to which the Lessor is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which the Vendor may deem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all the Lessor's obligations under the CSA, this Assignment and all rights herein assigned to the Vendor shall terminate, and all estate, right, title and interest of the Vendor in

and to the Lease shall revert to the Lessor. However, the Vendor, if so requested by the Lessor at that time and at the sole expense of the Lessor, will (a) execute an instrument releasing its entire estate, right, title and interest in the Lease and transferring such estate, right, title and interest to the Lessor and (b) execute, acknowledge and deliver any and all further instruments required by law or reasonably requested by the Lessor in order to confirm or further assure the interest in the Lease which shall have reverted or been so transferred to the Lessor.

6. The Lessor will, from time to time, execute, acknowledge and deliver any and all further instruments required by law or reasonably requested by the Vendor in order to confirm or further assure the interest of the Vendor hereunder.

7. Subject to the provisions of Article 14 of the CSA, the Vendor may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due, but the Lessee and the Vendee shall be under no obligation to any subsequent or successive assignee except upon written notice of such assignment from the Vendor. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Vendor hereunder.

8. This Assignment shall be governed by the laws of the State of Minnesota.

9. The Lessor shall cause copies of all notices received in connection with the Lease and all payments hereunder to be promptly delivered or made to the Vendor at its address set forth in Article 20 of the CSA or at such other address as the Vendor shall designate.

10. The Vendor hereby agrees with the Lessor that the Vendor will not, unless an event of default under the CSA (as defined therein) or event which with notice or lapse of time or both would constitute such an event of default has occurred and is continuing, exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits which are assigned and transferred by the Lessor to the Vendor by this Assignment, except the right to apply the Payments as provided in Paragraph 1 hereof.

11. Notwithstanding any other provision of this Assignment (including, but not limited to, any provision of the first paragraph of Paragraph 1 and Paragraph 3 hereof), the terms of this Assignment shall not limit or in any way affect the Lessor's right to receive and collect any Payments under the Lease in excess of the obligations of the Lessor under the CSA, so long as no event of default under the CSA or event which with notice or lapse of time or both would constitute such an event of default has occurred and is continuing; provided, however, that the Lessor agrees that, without the prior written consent of the Vendor (which shall not be given without the approval of the Investors as provided in Paragraph 10 of the Participation Agreement), the Lessor may not take any action to terminate the Lease pursuant to subparagraph (b) of § 10 thereof or otherwise, the right to do so being reserved by the Vendor.

12. This Assignment may be executed in any number of counterparts, such counterparts together constituting but one and the same contract. It shall not be necessary that any counterpart be signed by both parties hereto so long as each party shall sign at least one counterpart and such counterpart is delivered to the Vendor or its counsel, whereupon this Assignment shall become effective. Although for convenience this Assignment is dated as of the date first above written, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed, as of the date first above written.

CARGILL LEASING CORPORATION,

[Corporate Seal]

by

Attest:

MERCANTILE-SAFE DEPOSIT AND TRUST
COMPANY, not in its individual
capacity but solely as agent under
the Participation Agreement,

[Corporate Seal]

by

Attest:

Assistant Vice President

Corporate Trust Officer

STATE OF MINNESOTA,)
) ss.:
COUNTY OF HENNEPIN,)

On this day of March 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is an of CARGILL LEASING CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

STATE OF MARYLAND,)
) ss.:
CITY OF BALTIMORE,)

On this day of March 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is an Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

CONSENT AND AGREEMENT

The undersigned, LOUISVILLE AND NASHVILLE RAILROAD COMPANY, a corporation duly incorporated under the laws of the Commonwealth of Kentucky, the Lessee (the "Lessee") named in the Lease (the "Lease") referred to in the foregoing Assignment of Lease and Agreement (the "Lease Assignment"), hereby (a) acknowledges receipt of a copy of the Lease Assignment and (b) consents to all the terms and conditions of the Lease Assignment and agrees that:

(1) it will pay all rentals, casualty payments, liquidated damages and other moneys (other than Excluded Payments as defined in the Lease Assignment) provided for in the Lease (which moneys are hereinafter called the "Payments") due and to become due under the Lease or otherwise in respect of the Units leased thereunder, directly to Mercantile-Safe Deposit and Trust Company, not in its individual capacity but solely as Agent (the "Vendor"), the assignee named in the Lease Assignment, to be applied as provided in the CSA (as defined in the Lease Assignment), in Baltimore Clearing House funds by 11 a.m. Baltimore, Maryland, time on the date of payment, either by wire transfer to The Annapolis Banking and Trust Company, Main Street and Church Circle, Annapolis, Maryland, for credit to the Agent's Account No. 52076-1, with a request that The Annapolis Banking and Trust Company advise Mrs. K. M. Tollberg, Assistant Vice President, Mercantile-Safe Deposit and Trust Company, Baltimore, Maryland, that the deposit or payment is "RE: LN 2/15/80" or by check delivered to the Vendor at Two Hopkins Plaza, P.O. Box 2258, Baltimore, Maryland 21203 (or at such other address as may be furnished in writing to the undersigned by the Vendor);

(2) the Vendor shall be entitled to the benefits of, and to receive and enforce performance of, all the covenants to be performed by the undersigned under the Lease as though the Vendor were named therein as the Lessor;

(3) the Vendor shall not, by virtue of the Lease Assignment or this Consent and Agreement, be or become subject to any liability or obligation under the Lease or otherwise; and

(4) the Lease shall not, without the prior written consent of the Vendor, be terminated or modified, nor shall any action be taken or omitted by the undersigned, the taking or omission of which might result in an alteration or impairment of the Lease or this Consent and Agreement or of any of the rights created by either thereof.

This Consent and Agreement when accepted by the Vendor by signing the acceptance at the foot hereof, shall be deemed to be a contract under the laws of the Commonwealth of Kentucky and, for all purposes, shall be construed in accordance with the laws of said Commonwealth.

Dated as of February 15, 1980

LOUISVILLE AND NASHVILLE RAILROAD
COMPANY,

by



Assistant Vice President

[Corporate Seal]

Attest:


[ATTESTING OFFICER]

The foregoing Consent and Agreement is hereby
accepted, as of the 15th day of February 1980.

MERCANTILE-SAFE DEPOSIT AND TRUST
COMPANY, not in its individual
capacity but solely as Agent,

by

Assistant Vice President